GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:4962
ANSWERED ON:19.04.2001
AGREEMENT IN POWER SECTOR BETWEEN INDIA AND AMERICA
THAAWAR CHAND GEHLOT

Will the Minister of POWER be pleased to state:

(a) whether any agreement in the field of power sector was reached between India and America during 2000;

(b) if so, the details thereof;

(c) the names of the States and the companies in the power sector included in the agreement; and

(d) the time and the extent to which benefits are likely to be accrued to India from this agreement in the power sector?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA)

(a) to (d) : The Government of India signed a Memorandum of Understanding withthe Government of United States in September, 2000 which envisages establishing a Sub- Ministerial Working Group to conduct energy consultations for the purpose of enhancing the understanding of energy issues and promoting the exchange of information on energy policies, programmes and technologies by consultations.

In addition to the above, the following agreements were signed in respect of three power projects in the private sector in September, 2000. The details of agreements are given below :

(i) A Memorandum of Understanding/Intent to Finance was signed between theInfrastructure Development Finance Corporation (IDFC)and M/s. Synergics Energy Development Inc of USA on September 14, 2000 for financing the 330MW Shrinagar Hydro-electric Project of M/s Duncans North Hydro Power CoLtd. in Uttranchal.The project is scheduled for completion by September, 2005.

(ii) A development agreement was signed between M/s Southern Energy Asia PacificLtd. of USA and Reliance Power Ltd. and Power Trading Corporation of IndiaLtd. on September 14, 2000 to jointly develop the 3960 (6x660) MW HirmaThermal Power Project in the State of Orissa.The first unit is expected to be commissioned 39 months from the date of financial closure. Thereafter, the remaining units will be commissioned one by one after a gap of 3 months each.

(iii) A joint Development Agreement was signed between M/s Tamil Nadu LNG andPower Company Private Ltd., andPower Trading Corporation of India Ltd. onSeptember 14, 2000 for jointly developing the 1884.645 MW Ennore LNG basedpower project in Tamil Nadu. The project will be completed 36 months from the date of financial closure.

The Government also signed two Protocols of Intent in September, 2000.The first one was for conducting a detailed technical and economic feasibility study for setting up a commercial scale Integrated Gasification Combined Cycle (IGCC)demonstration power plant. The signatories include the Government of India, the UnitedStates Government and also the NTPC and USAIDThe second protocol was for capacity building in the power sector and the signatories were the Government of India and USAID which represents the Government of USA. No specific time frame have been indicated in the above protocols.